

109TH CONGRESS
2D SESSION

H. R. 5853

To amend the Commodity Exchange Act to add a provision relating to reporting and recordkeeping for positions involving energy commodities.

IN THE HOUSE OF REPRESENTATIVES

JULY 20, 2006

Mr. ANDREWS (for himself and Mr. GRAVES) introduced the following bill;
which was referred to the Committee on Agriculture

A BILL

To amend the Commodity Exchange Act to add a provision relating to reporting and recordkeeping for positions involving energy commodities.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Oil and Gas Traders
5 Oversight Act of 2006”.

6 **SEC. 2. REPORTING AND RECORDKEEPING FOR POSITIONS**
7 **INVOLVING ENERGY COMMODITIES.**

8 (a) IN GENERAL.—Section 2(h) of the Commodity
9 Exchange Act (7 U.S.C. 2(h)) is amended by adding at
10 the end the following:

1 “(7) REPORTING AND RECORDKEEPING FOR
2 POSITIONS INVOLVING ENERGY COMMODITIES.—

3 “(A) DEFINITIONS.—In this paragraph:

4 “(i) DOMESTIC TERMINAL.—The term
5 ‘domestic terminal’ means a technology,
6 software, or other means of providing elec-
7 tronic access within the United States to a
8 contract, agreement, or transaction traded
9 on a foreign board of trade.

10 “(ii) ENERGY COMMODITY.—The term
11 ‘energy commodity’ means a commodity or
12 the derivatives of a commodity that is used
13 primarily as a source of energy, includ-
14 ing—

15 “(I) coal;

16 “(II) crude oil;

17 “(III) gasoline;

18 “(IV) heating oil;

19 “(V) diesel fuel;

20 “(VI) electricity;

21 “(VII) propane; and

22 “(VIII) natural gas.

23 “(iii) REPORTABLE CONTRACT.—The
24 term ‘reportable contract’ means—

1 “(I) a contract, agreement, or
2 transaction involving an energy com-
3 modity, executed on an electronic
4 trading facility, or

5 “(II) a contract, agreement, or
6 transaction for future delivery involv-
7 ing an energy commodity for which
8 the underlying energy commodity has
9 a physical delivery point within the
10 United States and that is executed
11 through a domestic terminal.

12 “(B) RECORD KEEPING.—The Commis-
13 sion, by rule, shall require any person holding,
14 maintaining, or controlling any position in any
15 reportable contract under this section—

16 “(i) to maintain such records as di-
17 rected by the Commission for a period of
18 5 years, or longer, if directed by the Com-
19 mission; and

20 “(ii) to provide such records upon re-
21 quest to the Commission or the Depart-
22 ment of Justice.

23 “(C) REPORTING OF POSITIONS INVOLVING
24 ENERGY COMMODITIES.—The Commission shall
25 prescribe rules requiring such regular or contin-

1 uous reporting of positions in a reportable con-
2 tract in accordance with such requirements re-
3 garding size limits for reportable positions and
4 the form, timing, and manner of filing such re-
5 ports under this paragraph, as the Commission
6 shall determine.

7 “(D) OTHER RULES NOT AFFECTED.—

8 “(i) IN GENERAL.—Except as pro-
9 vided in clause (ii), this paragraph does
10 not prohibit or impair the adoption by any
11 board of trade licensed, designated, or reg-
12 istered by the Commission of any bylaw,
13 rule, regulation, or resolution requiring re-
14 ports of positions in any agreement, con-
15 tract, or transaction made in connection
16 with a contract of sale for future delivery
17 of an energy commodity (including such a
18 contract of sale), including any bylaw, rule,
19 regulation, or resolution pertaining to fil-
20 ing or recordkeeping, which may be held by
21 any person subject to the rules of the
22 board of trade.

23 “(ii) EXCEPTION.—Any bylaw, rule,
24 regulation, or resolution established by a
25 board of trade described in clause (i) shall

1 not be inconsistent with any requirement
2 prescribed by the Commission under this
3 paragraph.

4 “(E) CONTRACT, AGREEMENT, OR TRANS-
5 ACTION FOR FUTURE DELIVERY.—Notwith-
6 standing sections 4(b) and 4a, the Commission
7 shall subject a contract, agreement, or trans-
8 action for future delivery in an energy com-
9 modity to the requirements established by this
10 paragraph.”.

11 (b) CONFORMING AMENDMENTS.—Section 4a(e) of
12 the Commodity Exchange Act (7 U.S.C. 6a(e)) is amend-
13 ed—

14 (1) in the first sentence—

15 (A) by inserting “or by an electronic trad-
16 ing facility operating in reliance on section
17 2(h)(3)” after “registered by the Commission”;
18 and

19 (B) by inserting “electronic trading facil-
20 ity,” before “or such board of trade”; and

21 (2) in the second sentence, by inserting “or by
22 an electronic trading facility operating in reliance on
23 section 2(h)(3)” after “registered by the Commis-
24 sion”.

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